

United States Bankruptcy Court  
61288, Houston TX 77208SOUTHERN DISTRICT OF TEXAS P.O.Box  
(Houston Division)

PROOF OF CLAIM

Name of Debtors <b>X</b> Stage Stores, Inc., a Delaware corporation Specialty Retailers, Inc., a Texas corporation Specialty Retailers, Inc. (NV), a Nevada corporation  *place an "x" beside the name of the Debtor you are filing a claim against		Case Number 00-35078-H2-11 00-35079-H2-11 00-35080-H2-11	Creditor ID#: 788-37383  United States Bankruptcy Court Southern District of Texas FILED  JUL 10 2000  Michael N. Milby, Clerk
Name of Creditor (The person or other entity to whom the debtor owes money or property):  Lee Underwood'S Heating And Air Conditioning		Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.	
Name and address where notices should be sent:  *****ALL FOR AADC 780 Lee Underwood'S Heating And Air Conditioning PO Box 4582- 293957 Kerrville TX 78028  		Check box if you have never received any notices from the bankruptcy court in this case  <input checked="" type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.	
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces if this claim <input type="checkbox"/> amends a previously filed claim, dated: _____	
1. Basis for Claim <input checked="" type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____		Retiree benefits as defined in 11 U.S.C. § 1114(a) Wages, salaries, and compensation (Fill out below) Your SS#: _____ Unpaid compensation for services performed from <u>5/1/00</u> to <u>6/1/00</u> (date) (date)	
2. Date debt was incurred: <u>5/3/00</u>		3. If court judgment, date obtained:	
4. Total Amount of Claim at Time Case Filed: \$ <u>3,652.32</u> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.			
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff).  Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other All personal and intangible property of Debtor's Estate  Value of Collateral: \$ _____  Amount of arrearage and other charges at time case filed included in secured claim, if any \$ <u>3,652.32</u>		6. Unsecured Priority Claim. <input checked="" type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ <u>3,652.32</u> Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,300)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4) <input type="checkbox"/> Up to \$1,950* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)_____ *Amounts are subject to adjustment on 4/1/98 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.	
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		This Space Is for Court Use Only	
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.			
9. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.			
Date <u>6/26/00</u>	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>LOIS UNDERWOOD</u> <u>V-PRESIDENT</u>		
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.			

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January 31, 2000  
Bealls Department Store  
Riverhills Mall Hwy 16 South  
Kerrville, Texas 78028

Attention: Rex Dyson

# 88

Re: Status of A/C system above retail store.

After inspection of the four (4) roof-top units this company found the following:

- 1) 3 of the 4 units did not have fresh air dampers installed in them. We could find no signs that the dampers were ever removed or installed. Fresh air has been drawn into these units without any type of control device. Air temperatures ranging from 27 degrees to 100 degrees has been drawn into the units all the time with just filtering taking place.
- 2) 2 of the 4 units (we were told) have heating strips in them. We did not inspect to verify at this time.

**Recommendations:**

Install control damper in each large unit to help control fresh air intake. This will utilize outside air temperature when possible and will shut out outside air from entering store when outside air temperature is too high or too low.

1st choice would be installing (1) economizer with differential enthalph control and (1) damper per unit on large units only. Uses existing hood. Cost

Materials \$1,074.00

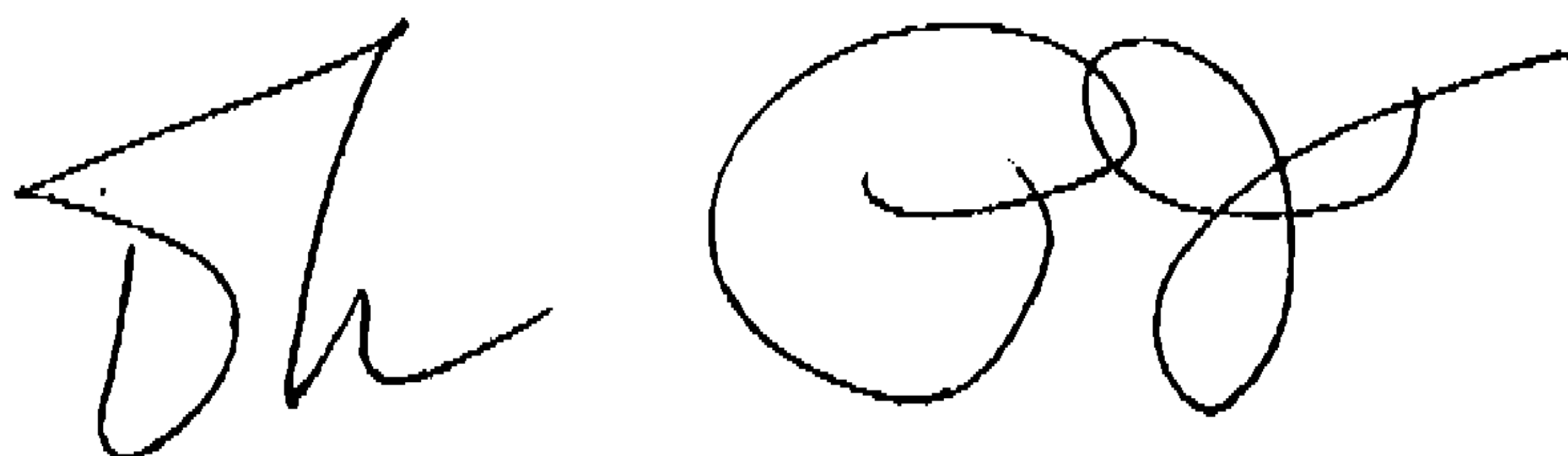
X 3

\$3,222.00

Tax: 265.82

Labor: 212.50

**TOTAL: \$3,700.32**

Handwritten signature and initials, likely of the inspector or installer, written in dark ink.

2nd choice would be to install a two position outside air damper that opens up to 25% and closes when unit is shut off. Uses existing hood. Cost

Materials: \$ 372.00

X 3

\$1,116.00

Tax: 92.07

Labor: 212.50

TOTAL: \$1,420.57

Price includes all labor and materials necessary to complete work. Payment would be due within 15 days from date of invoice.

Respectfully submitted

*Lee Underwood by Leis Underwood*

Lee Underwood

President

Technician on job

Lee

UNDERWOOD'S HEATING & A/C, INC.  
AND DUCT CLEANING

218 Hamilton P.O. Box 1582  
Kerrville, TX 78029-1582  
210-896-4083 1-800-897-8679

LEE UNDERWOOD'S HEATING & A/C, INC.  
P.O. BOX 293957  
KERRVILLE, TX 78029-3957  
TACLB003202C

Invoice

DATE	INVOICE #
<del>5/3/00</del> 5/10/00	3706

BILL TO:

Stage/Beall's Department Stores  
Rex Dyson  
P O Box 35167  
Houston, Texas 77235-5167

**FAXED**  
5/9/00  
1:00 pm

P.O. NUMBER	TERMS	PROJECT
Bcalls	Due on receipt	

QUANTITY	DESCRIPTION	RATE	AMOUNT
3	Installed fresh air dampers in units as per proposal. Did not install enthalpy controls yet. Will install shortly. Labor charged reflects reduction for this. Materials as per proposal	164.50	164.50
		1,074.00	3,222.00T
	<del>5/17/00</del> If paid by 5/17/00 deduct \$109.56 Sales Tax:	8.25%	265.82

Re -  
**FAXED**